GOVERNMENT OF INDIA
POWER
LOK SABHA

UNSTARRED QUESTION NO:6613
ANSWERED ON:08.05.2003
CAPACITY ADDITION DURING NINTH PLAN
SRINIVASULU KALAVA

Will the Minister of POWER be pleased to state:

(a) whether the anticipated achievement of capacity addition in Ninth Plan is expected to be far below against the target of 40,245 MW;

(b) if so, the reasons therefor;

(c) whether the Planning Commission recommended to set up a Task Force to analyze examine the issues related to the performance of the power sector during Ninth Plan to suggest the advance action for the Tenth Plan; and

(d) if so, the details of the progress in this direction?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA)

(a) & (b) : A capacity of 19015.17 MW has been added against a capacity addition target of 40245.2 MW during the 9th Plan. The main reasons that adversely affected the progress of project implementation are :

(i) Inability to achieve financial closure of private sector projects due to non-availability of escrow.

(ii) Delay in land acquisition.

(iii) Delay in investment decision.

(iv) R&R problems.

(v) Contractual problems.

(c) & (d) : Mid term Appraisal of Ninth Five Year Plan in October, 2000 had recommended that a Task Force may be set up to analyze/examine issues related to the performance of the power sector during Ninth Plan and suggest advance action for the Tenth Plan.

The Working Group on Power for the 10th Plan has taken into account the factors which adversely affected the progress of project implementation during 9th Plan. Effective monitoring mechanisms have now been put in place to ensure timely completion of the targeted projects. Monthly reviews are being undertaken by Central Electricity Authority (CEA) and quarterly reviews are being undertaken by Secretary (Power).

The system of having a nodal officer for each on going project has been introduced. The nodal officer is required to keep track of and facilitate resolution of problems which may delay the project by escalating the issue to appropriate levels for immediate resolutions.

For hydro power project, the three stage development system has been introduced with the objective of reducing time and cost overruns by ensuring that before main contract packages are awarded :-

(a) necessary infrastructure is developed;

(b) land is acquired; and

(c) Detailed Project Reports are prepared after thorough investigation.